

MARKETING ACTION—Continued  
[Staging]

Brand/Segment	Objective	Manufacture/develop period	Reserch period	Test market/period	Roll-out/period
Plastic Packaging .....	Evaluate consumer acceptance of plastic can concept.	Label development—4/80. Possible new can colorations—4/80.	Full, large panel test for Happy Days with Happy Days users—5/80–9/80. Full, large panel test for Skoal with Skoal users—5/80–9/80. Results should be at least 95 percent positive.	None .....	National distribution beginning—1/81.
Stetson Natural/Wintergreen Pouch .....	Introduce a loose leaf chewing entry point toward capture of 10 percent of market in three years.	Per T. Cornell: Blend and flavor—2/80. Samples production—3/80. Production for test markets—7/80–1/81. Full production 2/81.	Full, loose leaf user panel tests—Stetson vs. Levi Garrett, Red Man, Beechnut 4/80–7/80: Name and package design perception testing in 2 focus groups, 4/80–7/80; Audit at wholesale and retail to determine movement and growth vs. competition.	8 test markets conducted in strong loose leaf areas: 2 Stetson natural—lower media; 2 Stetson natural—higher media; 2 Stetson wintergreen—lower media; 2 Stetson wintergreen—higher media 8/20–2/81.	National distribution 3/81–6/81: supported by national—media effort.

U.S. TOBACCO INTRA-COMPANY  
CORRESPONDENCE

JANUARY 21, 1980.

FROM: A. E. Cameron, Regional Sales Manager.

TO: Mr. R. R. Marconi, National Sales Manager.

Re: Hawken review.

Tuesday and Wednesday was spent in the tri-city area (Briston, Tennessee; Bristol, Virginia; and Johnson City, Tennessee) in an attempt to further evaluate Conwood's new item "Hawken". I spent this time working with Mr. C. E. Jordan, division manager. *Factual* information was hard to come by in some of the areas; however, I will attempt to cover what we found from consumers, retailers, and distributors.

*Consumers*

We were only able to actually discuss Hawken with two consumers who have used the brand for any length of time. One of these was a convenience store manager (male about 55 years old). This man was supplied with samples on a regular basis for at least four to five weeks. By this time he had developed a taste for Hawken and now believes the flavor and taste last longer than SKOAL, the brand he used before Hawken. The second consumer was a 12 year old male and his mother. He stated, and it was confirmed by his mother, that all other brands of mouth tobacco he had tried to use would make him sick. This included SKOAL, HAPPY DAYS MINT, and several brands of scrap. He felt the cause with SKOAL and HAPPY DAYS MINT was the brands were too hard to use, he could never keep them together. Scrap produced too much juice and he swallowed too much. He also felt Hawken's flavor lasted longer. A very interesting observation—his mother was delighted he had finally found a mouth tobacco he could use. During my questioning of this lady, it was clearly evident that she believes mouth tobacco is the least harmful of many habits her son could develop; therefore, she openly encourages him to chew. The price made no difference to these two consumers.

*Retailers*

While contacting most of the retailers we have had on the "Tracking Program", we could only find two who definitely believe Hawken is still increasing in sales. All others state the brand has peaked and most report a decline in sales. Every retailer stated that SKOAL definitely was hurt the worst; however, they all state that SKOAL is coming back and is either at, or close to its previous sales level. They all report consumers of all ages are buying Hawken. Also, all type of consumers are using Hawken. These retailers all agree that the majority of Hawken is being used by young kids and young adults. The age of the kids is from 9 years old and up. I believe this to be true because outlets located close to schools (all grades) are definitely the heavier Hawken outlets we visited. Several retailers indicated that price

was a factor with the young kids. Also, the people who knew about mouth tobaccos felt the sweet tests was a definite factor with the kids. No retailer expressed any problem with the lower price of Hawken. They all state their mark-up is the same percentage as on SKOAL and other tobaccos.

*Distributors*

Distributors all state that they did no more on Hawken than any other new item. They all report that the brand has peaked and they are seeing declines. No distributor indicated any promotional activity was planned for Hawken.

As you can see, all levels are pointing the same way on Hawken. I believe the brand has hurt SKOAL and HAPPY DAYS MINT as much as it is going to. Figures prove Hawken killed our increase on SKOAL (30 percent); and at this point, we are showing about 9 percent decrease in sales where Hawken is available. At one point, our loss was well over 20 percent. This has turned around and I believe SKOAL will be back to a break-even point within the next few weeks. I feel by the end of the next three-month tracking period, our increase will be back to normal. I am not at all sure our increase won't be greater than ever. It definitely is a fact that Hawken has brought a lot of new consumers into the month tobacco market. I think this brand has reached kids four or five years earlier than we have contacted them in the past. Indications are that some of these new users are moving up to a stronger brand. Also, indications are that some older consumers are moving from Hawken back to the brands they were using before, and some consumers have begun mixing Hawken with SKOAL and Levi Scrap. If these trends continue, Hawken may prove to be a very good starter product for SKOAL.

I am convinced we must continue our tracking of Hawken for at least another three months before our questions can be answered. However, all figures indicate Hawken, when introduced in a new market, will kill our increase on SKOAL and, in fact, cause a 10 to 20 percent loss for the first three months.

Our field personnel will continue to supply all information possible on Hawken.

IN SPECIAL RECOGNITION OF  
ALEXANDER M. HUBER ON HIS APPOINTMENT TO ATTEND THE UNITED STATES MERCHANT MARINE ACADEMY

**HON. PAUL E. GILLMOR**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 4, 2003*

Mr. GILLMOR. Mr. Speaker, I rise today to pay special tribute to an outstanding young man from Ohio's Fifth Congressional District. I

am happy to announce that Alexander M. Huber of Milan, Ohio, has been offered an appointment to attend the United States Merchant Marine Academy.

Mr. Speaker, Alexander's offer of appointment poises him to attend the United States Merchant Marine Academy this fall with the incoming cadet class of 2007. Attending one of our Nation's military academies is an invaluable experience that offers a world-class education and demands the very best that these young men and women have to offer. Truly, it is one of the most challenging and rewarding undertakings of their lives.

Alexander brings a special mix of leadership, service, dedication to the incoming class of Merchant Marine Academy cadets. While attending Edison High School, Milan, Ohio, Alexander has attained a grade point average of 3.942 which places him 7th in his class of 129 students. During his time at Edison High School, Alexander has received several commendations for his superior scholastic efforts. Alexander's accomplishments include being on the honor roll for all four years, being awarded the Student of the Quarter for Business, recipient of the Mathematics Award, student of the quarter award for Science, and recipient of the Scholarship Pin. Aside from his accomplishments Alexander also participated in the National Honor Society, the Math Club, and the Spanish Club.

Outside the classroom, Alexander has distinguished himself as an excellent student-athlete and dedicated citizen of Milan. On the fields of friendly strife, Alexander has participated in Soccer, Tennis, and Weight Lifting. In addition to his athletic accomplishments, Alexander is an active member in his community participating in National Youth Leadership Conference and Boys State.

Mr. Speaker, I would ask my colleagues to stand and join me in paying special tribute to Alexander M. Huber. Our service academies offer the finest education and military training available anywhere in the world. I am sure that Alexander will do very well during his career at United States Merchant Marine Academy and I wish him the very best in all of his future endeavors.

IN SPECIAL RECOGNITION OF  
NATHAN A. STEIN ON HIS APPOINTMENT TO ATTEND THE UNITED STATES NAVAL ACADEMY

**HON. PAUL E. GILLMOR**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 4, 2003*

Mr. GILLMOR. Mr. Speaker, I rise today to pay special tribute to an outstanding young